

## REMARKS

Applicants respectfully request reconsideration based on the above amendment and the following remarks.

### **Status of the Claims**

Claims 1-31 were pending. Claims 1-2 and 6-31 have been canceled. Claims 3-5 have been amended. Claims 32-45 have been added. Claims 3-5 and 32-45 are now pending.

Written description support for the newly added claims can be found at least in the following sections of the application.

Claims 32 and 40 -	¶50
Claims 33, 35, 41 and 43 -	¶49, 59
Claims 34, 36, 42 and 44 -	¶39
Claims 37-38 and 45 -	¶31
Claim 39 -	¶27

### **Nonstatutory Double Patenting**

Claims 1-2, 6-9, 12-15, 18, 21, 24 and 27 stand rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,781,520. These claims have been canceled.

Claims 1-4, 6-9, 12-15, 18-31 stand rejected on the ground of nonstatutory obviousness type double patenting as being unpatentable over claim 7 of US Patent 6,657,597. Claims 1-2, 6-9, 12-15, and 18-31 have been canceled. Applicants wish to defer filing of a terminal disclaimer pending the allowance of the pending claims.

Claims 16-17 stand rejected on the ground of obviousness-type double patenting as being unpatentable over claim 11 of US Patent 6,657,597. These claims have been canceled.

#### **Rejections under 35 USC § 102**

Claims 1-2, 6-9, 12-15, 18-19, 21-22, 24-25, and 27-31 stand rejected under 35 USC § 102(b) as being anticipated by U.S. Patent 4,980,682 ("Klein"). These claims have been canceled.

#### **Rejections under 35 USC § 103**

Claims 20, 23 and 26 stand rejected under 35 USC § 103(a) as being unpatentable over U.S. Patent 4,980,682 ("Klein"). These claims have been canceled.

#### **Newly Added Claims**

Claims 32-45 have been added. Applicants respectfully submit that these claims are allowable over the cited art because the cited art does not teach or suggest all of the claim limitations.

For example, independent claim 32 recites

32. (New) An electromagnetic borehole telemetry system that comprises:  
a multi-axis sensor that produces an output for each axis; and  
an adaptive filter that combines the outputs to form a signal from a simulated single-axis sensor oriented in a direction that is best for receiving a borehole telemetry signal.

Klein does not teach or suggest multi-axial sensors alone or in combination with the other elements of the claim. For at least this reason, independent claim 32 and its dependent claims 33-39 are allowable over the cited art.

Independent claim 40 recites

40. (New) A borehole telemetry method that comprises:  
detecting components of an electromagnetic field with a multi-axis sensor that produces an output for each axis; and  
combining the outputs to form a telemetry signal from a simulated single-axis sensor oriented in a direction that is best for receiving a borehole telemetry signal.

As before, Klein does not teach or suggest multi-axial sensors alone or in combination with the other elements of the claim. For at least this reason, independent claim 40 and its dependent claims 41-45 are allowable over the cited art.

### **Allowable Subject Matter**

Claims 3-5, 10-11, and 16-17 were objected to as being dependent on a rejected base claim. Claims 10-11 and 16-17 have been canceled. Claims 3-5 have been rewritten in independent form, with minor changes to the claim language. Specifically, in adding language from canceled independent claim 1, applicants revised "a method for receiving" in the first line to read "a method to receive", and revised "to remove noise from an output" in the last line to


read "to **reduce** noise from an output". Applicants respectfully submit that these claims are in condition for allowance.

### **Conclusion**

In the course of the foregoing discussions, applicant may have at times referred to claim limitations in shorthand fashion, or may have focused on a particular claim element. This discussion should not be interpreted to mean that the other limitations can be ignored or dismissed. The claims must be viewed as a whole, and each limitation of the claims must be considered when determining the patentability of the claims. Moreover, it should be understood that there may be other distinctions between the claims and the prior art which have yet to be raised, but which may be raised in the future.

If any fees are inadvertently omitted or if any additional fees are required or have been overpaid, please appropriately charge or credit those fees to Conley Rose, P.C. Deposit Account Number 03-2769/1391-25206/HDJK.

Respectfully submitted,



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